



# INDIANA CVSO TRAINING

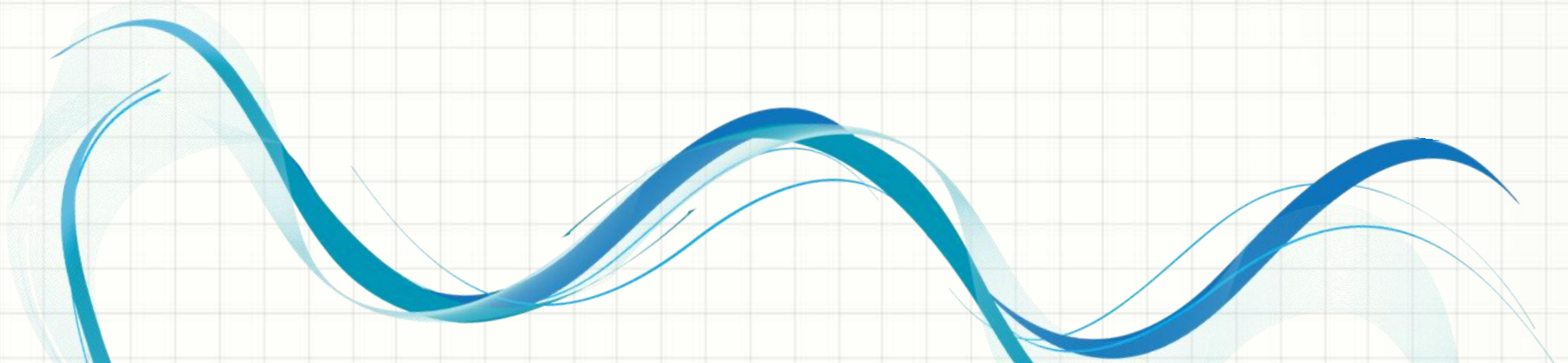
Individual Unemployability

# What Is Individual Unemployability?

- A special rating considered by the Department of Veterans Affairs which provides for additional benefits when a service connected disability, or a group of service connected disabilities, preclude the veteran from gaining and or maintaining gainful employment.
- IU is also referred to as total disability based on individual unemployability (TDIU).

To establish entitlement to compensation as if 100 percent disabled based on individual unemployability (IU), a Veteran must be unable to secure or retain employment by reason of **service-connected (SC) disability**. The Veteran must be **unemployable** in fact by reason of SC disability *and either*

- 
- meet the schedular requirements of [38 CFR 4.16](#), or
- have an extra-schedular evaluation approved by the Compensation Service (211B).



# What to consider

- A determination as to entitlement to a total evaluation based on unemployability is appropriate only when a Veteran's unemployability is a result of SC disabilities.
- ***Substantially gainful employment*** is defined as employment at which non-disabled individuals earn their livelihood with earnings comparable to the particular occupation in the community where the Veteran resides.

# What are the Requirements?

- **§4.16 Total disability ratings for compensation based on unemployability of the individual.**
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- (a) Total disability ratings for compensation may be assigned, where the schedular rating is less than total, when the disabled person is, in the judgment of the rating agency, unable to secure or follow a substantially gainful occupation as a result of service-connected disabilities: *Provided*, That, if there is only one such disability, this disability shall be ratable at **60 percent** or more, and that, if there are two or more disabilities, there shall be at least one disability ratable at **40 percent** or more, and sufficient additional disability to bring the combined rating to **70 percent** or more. For the above purpose of one 60 percent disability, or one 40 percent disability in combination, the following will be considered as one disability:





## **What to File with the 526EZ**

*Forward a VA Form 21-8940, Veteran's Application for Increased Compensation based on Unemployability.*

*It will help expedite your claim if an employer completed 21-4192 is included for employment within the past 5 years.*



## **When deciding an IU claim, the rating activity must take into account**

- the Veteran's current physical and mental condition
- the Veteran's employment status, including
  - the nature of employment, and
  - the reason employment was terminated, and
- whether
  - the disability requirements set forth in 38 CFR 4.16 are met, or
  - extra-schedular consideration under 38 CFR 3.321(b)(1) is warranted.



**QUESTIONS?**